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SALES & MARKETING MANAGEMENT

FEBRUARY 2, 1981
A BILL PUBLICATION
TWO DOLLARS

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AV finds its niche
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How Corning Process Systems refused to go down the tube

New products, a strengthened sales organization, and, above all, getting manufacturing people on the marketing team saved this Corning Glass Works unit. Among those responsible for turning around the marketer of glass piping, heat exchangers, and evaporators are Zaki Mustafa, general manager; Bill McLay, product manager; and plant managers Kenneth Conway and Michael Coletti. Story on page 25.

Inside Out

Perky advertising helps Proctor-Silex promote its revamped line of coffee-makers and other small appliances on TV and in magazines. Page 10.

Compensation. A preview of data for S&MM's *1981 Survey of Selling Costs* shows that graduates entering sales and marketing jobs this year will be offered 8.1% more than last year. Page 11.

Putting GE in the chips. The $24.5-billion giant is determined not to miss out on microelectronics. Page 11.

S&MM Barometer. Retail sales will top the trillion-dollar mark for the first time in 1981, but the increase barely keeps them even with inflation. Page 13.

Industrial marketing. Bemis creates a Distributor Products Div. to sell its Stretchfilm through, of all things, distributors. Page 16.

MetPath clones a sales force. When it decided to push for a big jump in sales this year, the operator of clinical laboratories increased its sales force by more than a third. Page 18.

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Sales productivity

The latest data show that field salespeople are doing their part to improve America's productivity. Find out if your industry is among those with the most impressive gains. Page 29.

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What's coming up

Survey of Selling Costs. New features enhance the 1981 edition to help marketers contend with rising field sales costs. Included are data on what companies actually pay per month for such basic expenses as meals, entertainment, lodging, and the like. Feb. 23.

Trouble at the PX. Charges of widescale bribery of purchasing officials who stock Army and Air Force PXs worldwide have resulted in prosecutions of some independent military sales reps. Now there's a threat to rewrite the rules by which marketers sell to this $5.1-billion market. S&MM probes the scandal and shows what some marketers are doing to keep their reps honest. Mar. 16.

The bounty of agrimarketing. There's plenty happening down on the farm, including computer technology, demand for energy-saving tractors and other equipment, and a reduction in small, family-owned operations. The result for marketers is a wave of new products, competition from abroad, and a requirement to sharpen their selling. Apr. 6

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S&MM's cover photograph by Gerald L. Millet.

olution. The $24.5-billion giant missed out on semiconductors' explosive growth when it retreated from the integrated circuits market a decade ago, and it's determined not to overlook the current electronics boom.

Chairman Reginald H. Jones, who retires Apr. 1, sees microelectronics, which is based on silicon chips smaller than a fingernail that do what room-size computers did years ago, as pivotal to GE's sales strategy for the 1980s. The emphasis, he says, will be on selling systems to industry for productivity improvement and energy conservation. Comments consultant Harry Edelson, head of Edelson Technology Associates: "GE also wants to have its own in-house supply sources to avoid the component shortages that have plagued semiconductor companies in recent years. That's why others, such as Westinghouse, Honeywell, and United Technologies, are buying small semiconductor firms."

Other moves made by Jones and his successor, John F. Welch, 45, head of GE's consumer and industrial products sectors, include the following:

• Acquisition of United Telecom's Calma subsidary, a leader in the computer-aided-design and computer-aided-manufacturing (CAD/CAM) industry. The Gartner Group, a Greenwich, CT, research firm, notes that GE's computerized graphics business (S&MM July 7, 1980), which is growing 50% a year, will benefit from Calma's expertise in interactive, three-dimensional, and voice applications.

• A bid for Great Western Silicon, a joint venture of Applied Materials and Fairchild Camera & Instrument. The company makes polycrystalline chips.

The thrust of these moves, Jones says, is to enable GE to

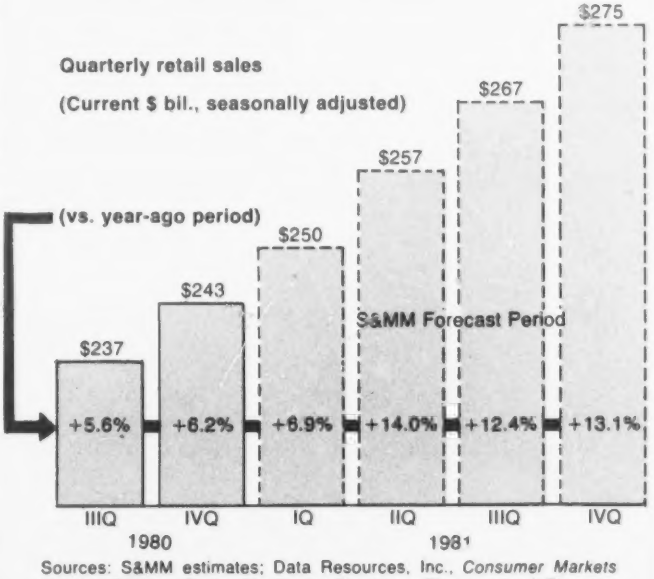
S&MM BAROMETER

Retail sales: A trillion isn't much

Consumer spending in retail stores in 1981 will top the trillion-dollar mark for the first time. Aside from that milestone, there won't be much to cheer about. Retail store sales are expected to climb 11.3%, to $1,049.27 billion. But with the inflation rate projected at 11%–12%, that means no gain in real spending, marking the third straight year when many households won't see a rise in living standards.

Higher taxes and interest rates will crimp sales. Carol Brock Kenney, Shearson Loeb Rhoades vice president, points out that higher social security taxes, inflation-induced tax bracket upcreep, and windfall profit levies will extract $42 billion from the economy. Thus, even with the proposed $24-billion cut in income taxes there will be a net loss of $18 billion.

Data Resources, Inc., senior economist Evan Barrington notes that unusually cold weather in the Northeast and Midwest and last month's freeze in the Southeast will push energy and food outlays higher than forecast earlier, leaving fewer dollars for nonessentials. Chase Econometrics chairman Lawrence Chimerine sounds one optimistic note: "Unlike 1980, consumer spending won't collapse because the Fed isn't going to enact credit controls for a while."



Sources: S&MM estimates; Data Resources, Inc., *Consumer Markets Service*; Goldman Sachs, *The Pocket Chartroom*; Shearson Loeb Rhoades, *Consumer Capsule*; Census Bureau, *Monthly Retail Trade Report*.
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New data from the Bureau of Labor Statistics show that the field salesperson, far from being an economic liability, is doing his part to raise productivity.

NOT BAD AT ALL

By THAYER C. TAYLOR
Senior Editor/Management Sciences

Despite all the talk about lagging American productivity, there's evidence that marketing executives are winning the battle to make sales budgets work more efficiently. An S&MM analysis, based on government surveys of employment in manufacturing industries as well as unpublished federal government data, suggests that the individual salesperson has steadily increased his output in recent years.

Between 1971 and 1977, the number of sales representatives employed by manufacturing concerns rose 10%, according to Bureau of Labor Statistics surveys. The Census Bureau reports that during the same period manufacturing shipments' dollar value more than doubled. Thus the volume of shipments represented by the average salesperson shot up 84%, to $4.2 million in 1977.

Of course, much of the dollar increment is due to inflation. However, the same strong improvement pattern is shown by the Federal Reserve Board's output index, which is based on physical volume. That climbed 28% in the same period, or 2.8 times faster than the increase in sales personnel.

Sales performance gains varied widely among the different industries, ranging from only a 25% increase in shipments-per-salesperson in the textile industry to 456% in tobacco. As a rule, nondurable goods companies did much better than their durable goods counterparts, posting a 109% gain in shipments-per-salesperson vs. 63%.

Much of the improvement was due to greater use of outside agents. Increased use of brokers, for example, enabled food manufacturers to trim their own sales staffs 29% in the face of an 86% rise in shipments, thus lifting the shipments-per-salesperson ratio 109%.

Interestingly, while use of manufacturers' reps has in-

What the new BLS data mean to the marketer

Information on the number of sales personnel employed at the industry level is a scarce commodity. That's why one of the most frequent questions S&MM receives is, What should be the size of my sales force? The new Bureau of Labor Statistics information can help the marketer's sales force planning as follows:

- **The shipments-per-salesperson ratio can be a yardstick for evaluating the amount of business the manager's own salespeople are bringing in.**
- **The same ratio, when matched against targeted sales goals, will suggest the number of sales personnel required to generate a given amount of business.**
- **The predicted changes in industry sales personnel, based as they are on how government forecasters expect that industry to perform in the years ahead, will tell the marketer how many additional sales personnel are needed just to keep up with the competition.**

The productive salesperson

SIC	Industry	Number Of Salespersons 1977	% Change 1971–77	Shipments (Mil. $) 1977	% Increase 1971–77	Shpmnts. Per Salesperson ($000) 1977	% Increase 1971–77	% Change In Physical Output 1971–77
NONDURABLES[1]		**150,120**	**N.C.**	**$ 596,783.9**	**+110%**	**$ 3,975**	**+109%**	**+29%**
20	Food	42,760	−29%	193,096.3	86	4,516	164	+23
21	Tobacco	490	−71	9,051.1	64	18,472	456	+12
22	Textile mills	6,640	+34	40,290.6	68	6,068	25	+15
23	Apparel	15,670	+ 2	40,079.9	60	2,558	57	+28
26	Paper	14,970	+ 5	51,672.2	103	3,452	93	+15
28	Chemicals	53,670	+39	117,532.0	127	2,190	63	+48
29	Petroleum & coal products	2,590	− 3	97,627.9	262	37,694	274	+22
30	Rubber & plastics	10,510	+39	39,926.4	134	3,799	68	+57
31	Leather	2,820	−36	7,507.5	44	2,662	124	−15
DURABLES[2]		**160,420**	**+21%**	**$ 708,082.5**	**+97%**	**$ 4,414**	**+63%**	**+28%**
24	Lumber	8,880	−34	39,781.2	56	4,480	302	+15
25	Furniture	9,620	+19	16,853.1	73	1,752	45	+25
32	Stone, clay & glass	11,660	+16	34,937.4	88	2,996	63	+32
33	Primary metals	7,880	+20	103,042.8	94	13,076	62	+11
34	Fabricated metals	28,400	+24	89,083.4	112	3,137	70	+26
35	Nonelectrical machinery	38,580	+35	122,211.5	120	3,168	63	+44
36	Electric & electronic equipment	19,060	+24	87,602.7	78	4,596	44	+34
37	Transportation equipment	10,550	+22	166,795.2	92	15,810	57	+25
38	Instruments	13,500	+76	28,707.9	134	2,127	33	+42
39	Misc. mfg.industries	12,290	+12	19,013.3	88	1,547	68	+33
	TOTAL	**310,540**	**+10%**	**$1,304,866.4**	**+103%**	**$ 4,202**	**+84%**	**+28%**

[1]SIC 27, printing & publishing, is not included because the Bureau of Labor Statistics did not survey occupational employment in that industry in 1971. In 1977, the industry employed 65,640 salespersons.
[2]SIC 19, ordnance, was eliminated in the Standard Industrical Classification system (SIC) in 1977 and its component sectors allocated to SIC 34 and SIC 37.
N.C.—No change.
Sources: S&MM calculations; unpublished data provided by the Bureau of Labor Statistics' Div. of Occupational Outlook; Bureau of Labor Statistics, *Occupational Employment in Manufacturing Industries: 1977*, Bulletin 2057; Census Bureau, *1977 Census of Manufactures: Selected Statistics for Industry Groups and Industries, MC77-S-1(P)*; *Annual Survey of Manufactures: 1970–1971*; and *Statistical Abstract of the U.S.: 100th edition*; Federal Reserve System, Board of Governors, *Federal Reserve Bulletin*.

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creased appreciably in the durable goods industries in recent years, all but one of the ten durable goods industries (lumber) employed more sales personnel in 1977 than six years earlier. In contrast, four of the nine nondurable goods industries cut back on their sales staffs.

One reason why durable goods makers are beefing up their own sales forces, despite the greater use of manufacturers' reps, is the trend to specialized selling, which calls for having the salesperson concentrate on a single industry or type of customer. This requires a larger sales force than when the salesperson sells across the board.

Significant cross-currents in sales force practices took place within major industry groups. For example, in SIC 34 (fabricated metals) the number of sales personnel rose 24%. However, within that group, while marketers were expanding their sales force 84% in SIC 341 (metal cans and shipping containers) and 74% in SIC 342 (cutlery, handtools, and hardware), others were slashing their sales personnel: as much as 87% in both SIC 348, (ordnance) and SIC 343 (nonelectric plumbing and heating equipment).

Because of declining birth rates since the late 1950s, demographic shifts point to a slower increase in sales personnel in the 1980s. While manufacturers increased their sales staffs at an annual rate of 1.4% in 1971–77, unpublished projections prepared by BLS's Division of Occupational Outlook suggest the rate will top 2% for nondurables, but dip below 1% for durables in the 1978–90 period.

Even so, several industries will have to scramble to meet the explosive needs for additional sales personnel. The industries expected to experience the fastest growth in salespersons: SIC 227 (floor coverings), up 142%; SIC 283 (synthetic fibers) and SIC 378 (mobile homes), 93% each; SIC 357 (computers), 87%; and SIC 225 (knitting mills), 76%.

With most forecasts assuming economic growth in the 1980s in the 3%–4%-a-year range, sales force projections indicate that the shipments-per-salesperson ratio will continue on an upward curve. But don't count too heavily on the statistics. Such results aren't guaranteed for everyone.

The fastest gainers

SIC	Industry	1977 Shipments Per Salesperson ($000)	% Gain 1971–77	1971–77 Percent Change Shipments	1971–77 Percent Change Number of Salespersons
207	Fats & Oils	$18,864	**957%**	+322%	−60%
235	Hats & caps	1,312	**844**	+ 60	−83
351	Engines & turbines	30,519	**495**	+107	−65
287	Agricultural chemicals	2,932	**332**	+259	−17
295	Paving & roofing materials	2,983	**258**	+116	−40
205	Baked goods	1,945	**250**	+ 67	−52
252	Office furniture	3,737	**210**	+131	−25
395	Pens & pencils	1,225	**186**	+ 74	− 7
339	Misc. primary metal products	7,289	**170**	− 28	−73
283	Drugs	1,515	**159**	+ 98	−24
201	Meat products	5,806	**133**	+ 77	−34
314	Nonrubber footwear	2,883	**132**	+ 25	−46
208	Beverages	2,300	**132**	+ 75	−25
209	Misc. food products	4,540	**127**	+ 31	−42
336	Nonferrous foundries	6,886	**115**	+101	− 7
347	Metals services, not elsewhere classified	2,369	**106**	+127	+10
361	Electrical distributing equipment	5,666	**104**	+ 25	−39
264	Misc. converted paper	2,634	**102**	+109	+ 3

Sources: S&MM calculations, Bureau of Labor Statistics, Census Bureau.

Projections of tomorrow's sales force

SIC	Industry	Total Number of Sales Workers[1] 1978	1990	% Change
NONDURABLE		**315,300**	**397,100**	**+26%**
20	Food	58,600	54,300	− 7
21	Tobacco	2,600	3,100	+19
22	Textile mill products	10,400	16,400	+58
23	Apparel	30,300	38,700	+28
26	Paper	19,200	29,700	+55
27	Printing & publishing[2]	122,600	157,800	+29
28	Chemicals	49,300	70,600	+43
29	Petroleum & coal products	4,100	4,000	− 2
30	Rubber & plastics	13,100	17,400	+33
31	Leather	5,100	5,100	N.C.
DURABLES		**179,100**	**202,900**	**+13%**
24	Lumber	7,700	12,000	+56
25	Furniture	12,500	19,100	+53
32	Stone, clay & glass	16,100	20,500	+27
33	Primary metals	11,800	14,300	+21
34	Fabricated metals	26,000	27,800	+ 7
35	Nonelectrical machinery	42,300	42,900	+ 1
36	Electrical & electronic products	19,500	12,800	−34
37	Transportation equipment	14,700	22,400	+52
38	Instruments	11,600	11,100	− 4
39	Miscellaneous	16,900	20,000	+18
	Total	**494,400**	**600,000**	**+21%**

[1]Numbers in this table are not strictly comparable with those in the other two tables in this article. The totals shown here are based on Census Bureau definitions used by the Bureau of Labor Statistics (BLS) in making its projections whereas the other two tables are based on data developed in BLS surveys of manufacturing establishments. Also, the totals shown here include all types of sales personnel, such as sales clerks, whereas the other two tables include only sales representatives, sales agents and others directly involved in selling. As a general rule, salesmen and saleswomen account for 90% of total sales workers, 95% in the durable goods industries, 86% in the nondurable goods sectors.

[2]The bulk of these figures is made up of newspaper carriers who deliver papers to the home.

N.C.—No change.

Source: Bureau of Labor Statistics.

Those lingering hang-ups about women in sales

By PATRICIA E. CEGAN
Sales Training Manager
Knoll Pharmaceutical

A female sales representative recently told me that her division manager would not let her buy new tires for her company car until he could come along to help—even though she had owned and maintained a car for years. His explanation was that his wife doesn't know anything about cars. *He* always takes care of them.

Perhaps that's extreme. But all too often a male sales manager's interactions with his female sales representatives are based more on social conditioning than management training. Thus, the expectations and fears engendered by women in his personal life, as well as the often inane images of women projected by the media, lead to knee-jerk responses that jeopardize the working relationships between managers and female salespeople. They can even lead to uncertainty on the part of the manager about how to motivate and critique female sales representatives.

Selling, by the nature of the job, requires independence. For many women who once were locked into dead-end positions, it represents a way to develop independence, skills, and meaningful careers. In fact, a survey I took last summer for the National Society of Sales Training Executives (NSSTE) indicates that female salespersons are, if anything, even more career-growth–oriented than their male counterparts. To survey males' and females' attitudes toward their selling jobs, I asked NSSTE members to distribute a questionnaire to their salespeople. The replies from 149 women and 90 men are not statistically projectable, but they are revealing (see accompanying tables).

For example, asked what they like best about their jobs, both men and women ranked independence and growth potential No. 1 and No. 2, respectively, but 42% of the women vs. only 28% of the men specified growth, and 50% of the women vs. 39% of the men said they might leave their job if they felt there was no room for career development. Also, 26% of the women vs. 19% of the men said that one of the things they like best about their manager is his ability to teach them what they must know to be successful. Yet a complaint I hear time and again from female sales representatives is that their managers seldom critique their selling skills or offer suggestions about how to improve.

On the other side of the fence, some managers tell me that they feel uncomfortable critiquing women because they feel that women are "too emotional." In actuality, women are not necessarily more emotional than men. Rather, they may be more open about their feelings and may choose to express them differently. The appropriate management attitude isn't to expect women to learn to act tough and hide their feelings. Instead, if tears arise in answer to criticism, let them fall. Then continue the discussion when the sales representative is able.

Fear of tears, of course, isn't

Contrasting views from field salespeople

	Women	*Men*
1. One of the things I like best about my job is:		
The independence I have	64%	68%
The potential for career growth	42	28
The intellectual challenge	29	17
The salary I earn	20	27
2. One of the things I like best about my manager:		
Seems sincerely interested in me as a person and is concerned about my career	38%	37%
Gives me support and encouragement	36	33
Is able to teach me what I need to be successful	26	19
Listens to me when I need to talk	13	23
3. Some major obstacles to success are:		
Feelings that I have to overcompensate for being female by outproducing my male peers	31%	N.A.
Feeling isolated in my daily work	27	28
Not being accepted by my manager	10	6
Sexual harassment on the job	5	1
Other	40	60
4. I might leave my job if:		
I feel there is no room for career development	50%	39%
It isn't challenging enough to maintain my interest	43	29
The salary is inadequate for the work required	30	36
Another company offered more money	26	20
I had an ongoing conflict with my manager	17	20

N.A. Not applicable.

JAUNDICED EYE

Salesperson bites jet-setter (or was that a retriever?)

My wife and I commute 3,000 miles for our days off. We work in southern California and *live* in Maine, which our friends think is idiotic and we think is the best of both worlds. Almost. We have to leave our dogs in California, and after about 10 days in Maine my bride becomes sulky and starts telephoning the dogs—collect.

I want to check them on the plane, but she won't hear of subjecting our pets to the risks of an unpressurized luggage compartment, rough handling, misrouting, and all the terrible things, real and imagined, we've heard about. A dog in Maine is almost as important for complete enjoyment as long underwear, so our idyllic retreat is flawed.

Almost as if he were reading my mind, Albert Gaulden, marketing director of Pacific Executive Charter, sent me a letter describing his company's air charter service guaranteed to fly you—and your dog, horse, or wife—anywhere in their jets. I showed his letter to my spouse who cried for joy, "Our dogs can come with us! Find out how much."

I called Albert, who was delighted with the response to his direct mail campaign. He said he'd get back with a quote and recommended equipment. Today I received the good news. To fly my wife, daughter, and the dogs from Los Angeles to Maine was factually presented as $16,000—one way. When would they like to go?, the salesperson in Albert asked.

"Albert," I said when I called back, "we think maybe we don't love our dogs $16,000 worth. But please don't breathe a word of this to the dogs."

"Don't give up, Jim," he countered. "Our president, Bill Bolla, is considering your idea for next year. So who knows? By the time you want to go to Maine there might be a Canine Class at Pacific Charter." (I can see it now. The dogs ride in seats, my wife and I are in cages in the baggage compartment.)

Meanwhile, we've arranged to *rent* a dog in Maine for $5 a day European Plan during our next trip East. Our neighbor, who rivals Albert as a salesperson, recognizes a market when he sees one and created this new business just for us.

The catch is that Gertrude, the Labrador retriever awaiting our arrival, is already whimpering about visiting California and suggested we charter with Pacific Executive Charter Service. Her sense of smell in ferreting out a pigeon is matched only by Albert's.

By Jim Lavenson

the only cause of too little feedback from managers to female sales representatives. Some managers try so hard to be fair and understanding that they unwittingly discriminate by critiquing their female representatives too little. Others appear to give little guidance because they expect little performance in return. Still others are unsure of how to critique them. In fact, for the NSSTE project, I also sent a questionnaire to male field managers who had women working for them. Forty-five percent indicated uncertainty about how to critique, discipline, and motivate women. But whatever the cause, the result is that the female rep is not given an equal opportunity to develop.

To make the situation worse, about one-third of the women who replied to my survey feel that they must overcompensate for being females by outproducing their male peers. Whether their managers actually expect them to "prove themselves" is not as important as the fact that *they feel they must.* The manager who wants to field a winning team will recognize this and help to alleviate the problem by carefully defining the female salesperson's goals, then helping her to develop her selling skills by critiquing her just as he does the men in his group.

Women are eager to grow. They demonstrate a willingness to work diligently to achieve that growth. Managers who tap their energy and expand it by providing personal and career development opportunities will develop valuable, productive employees. Rather than try to mold a female representative into a preconceived model of how a salesperson should act, give her the freedom to develop and use her unique skills.

Patricia E. Cegan is sales training manager of Knoll Pharmaceutical, Whippany, NJ. She was a field sales representative for 10 years.

Marketers learn to rely on AV

By JOHN MUTTER
Associate Editor

Respondents to S&MM's exclusive survey on AV use represent small and large companies. Some have sizable sales forces, some have a handful of salespeople. Generally, these respondents use AV mainly in meetings, training, and sales presentations. Some use them at trade shows as well.

One-third of the respondents have a facility at their offices or headquarters where they show customers AV programs. In most cases, this facility is a conference room specially equipped for AV.

Only 7.8% of the respondents have used or plan in the next year to use teleconferencing—the transmission of meetings by satellite or cable from a central meeting location to various regional gatherings around the country. Some respondents were unfamiliar with teleconferencing. Others said that they don't intend to use it either because of the cost or because their companies are regional and thus have no need for national meetings.

Half of the respondents put together AV programs in-house only. Some 17.1% of respondents use outside production companies while 28.9% sometimes put together programs in-house and sometimes use production companies, depending, in most cases, on how complex the production is.

Fully 28.2% of the respondents use multimedia shows (with several kinds of AV equipment used simultaneously). These tend to be used at more formal presentations, for example, at sales meetings or trade shows.

The large majority of respondents (71.8%) purchase all their AV equipment while 18.9% rent all their equipment. Only 9.2% rent and purchase, depending on how often and where a piece of equipment is used.

When asked what their chief considerations were when choosing AV equipment, the respondents this year rated technical functions (50.0%) slightly higher than weight and bulkiness (48.6%) as very important. In last year's survey, 61.2% chose weight and bulkiness as very important while 53.2% chose technical functions. In both surveys, service, cost, and experience with supplier were rated third, fourth, and fifth.

Respondents were also asked what changes they would most like to see in AV equipment. Typical answers include:

"Make it lighter."

"Make units compatible with one another."

"Make units smaller."

"Improve the quality of picture and sound."

"Make setup and operation less complicated and time-consuming."

"Make units more rugged and durable."

"Make units quiet during operation."

"Improve instructions."

And, naturally, **"Lower the cost."**

Indeed, the survey indicates that the rate of increase in AV expenditures for 1981 probably will be smaller than a year earlier. Although more companies show a large increase in their AV budgets (17.8% in 1981 compared with 11.1% in 1980), fewer companies are raising their AV budgets between 1% and 19% and more are staying at the same rates as in 1980. Some of the respondents who indicate that their companies' AV expenditures are rising over 20% in 1981 note that this is largely because of major equipment purchases planned during the year.

As a whole, however, this year's respondents seem more cautious than last year's about equipment purchases in the near future. Fewer respondents than last year indicate that they will purchase slide projectors, videotape recorders, slide projectors with tapes, tape recorders, or desktop screen units. The only categories in which more respondents indicate an interest in purchasing more equipment compared with last year are film projectors and overhead projectors. Some of this hesitancy is probably traceable to the recession and high interest rates.

Nonetheless, AV has clearly found its way into selling. Says one respondent, "It's as basic a part of our sales effort as a sales car."

1. Does your company use AV equipment?

Yes	71.0%
No	29.0

The following questions were asked only of the respondents who use AV. Thus the base is 206.

2. Where do you use AV equipment?

Meetings	89.8%
Training	76.2
Sales presentations	69.4
Trade shows	37.8

3. Do you have a facility at your offices or headquarters where you show customers AV programs?

Yes	35.4%
No	64.5

4. Are you using or do you plan in the next year to use teleconferencing, i.e., the transmission of meetings by satellite or cable from a central meeting location to various regional gatherings around the country?

Yes	7.8%
No	92.1

5. Who puts together your AV programs?

In-house only	53.9%
In-house or production company	28.9
Production company only	17.1

6. Do you use more than one type of AV equipment simultaneously, i.e., in multimedia shows that may include, for example, several slide shows and a film at the same time?

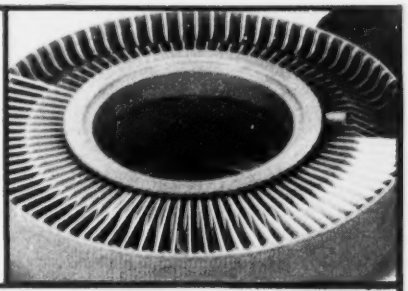
Yes	28.2%
No	71.7

7. Do you primarily rent or purchase your AV equipment?

Purchase only	71.8%
Rent only	18.9
Purchase or rent	9.2

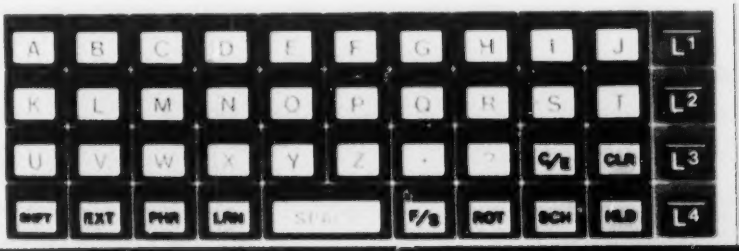
8. How do AV expenditures in this year's budget compare with last years?

Up 20% or more	17.8%
Up 10%–19%	13.7
Up 9% or less	11.7
Stay the same	52.0
Decrease	4.5



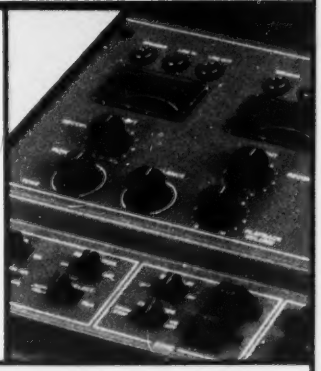
9. What are the chief considerations in choosing AV equipment?

	Very Important	*Important*	*Not so Important*
Technical functions	50.0%	41.0%	9.0%
Weight, bulkiness	48.6	38.7	12.5
Service	38.1	47.5	14.3
Cost	32.9	62.2	4.7
Experience with supplier	11.1	48.3	40.5



10. What kind of AV equipment do you plan to purchase in the next 12 months?

Slide projector	16.0%
Videotape recorder	14.5
Slide projector with tapes	14.5
Tape recorder	14.0
Desktop screen unit	13.1
16 mm film projector	6.3
35 mm film projector	2.4
Overhead projector	0.9



11. Please describe your role in purchasing AV equipment.

I'm a strong influence on the type of equipment selected	42.2%
I make the final decision	27.3
I consult with purchasing people	15.9
I have little or no influence on the purchasing decision	14.4

Survey results are based on a mailing to 1,000 S&MM subscribers. By the cutoff date, 290 questionnaires were received. Of those who responded, 206 use AV equipment. In certain cases totals exceed 100% because some respondents gave multiple answers.